



US Army Corps
of Engineers
Alaska District

Public Notice of Application for Permit

Regulatory Branch (1145b)
Post Office Box 6898
Elmendorf AFB, Alaska 99506-6898

PUBLIC NOTICE DATE: 28 May 2004

EXPIRATION DATE: 28 June 2004

REFERENCE NUMBER: POA-1991-492-P

WATERWAY NUMBER: Ganes Creek

Interested parties are hereby notified that an application has been received for a Department of the Army (DA) permit for certain work in waters of the United States as described below and shown on the attached plan.

APPLICANT: Mr. Doug Clark, operator, Clark-Wiltz Mining, Post Office Box 586, Talkeetna, Alaska 99676-0586.

LOCATION: The operation is on Ganes Creek and tributaries approximately 28 miles west of McGrath Alaska. The project is located at T. 33 N., R. 38 W., sections 4, 8, and 9; T. 34 N., R. 38 W.; section 33, Seward Meridian, the latitude is 63° 05' N., and longitude is 156° 25' W.

WORK: The applicant proposes to continue their ongoing mining operation. The operator has been shut down for two years due to low gold prices. The applicant has proposed a 5-year mine life. The operator has workings on Potosi Creek, Six Gulch, Oregon Creek, Discovery Creek, and the Bullion Creek Association. The operation would continue to be a mechanized open cut and fill operation. The operation in its entirety would disturb approximately 27 acres. There is 12.9 acres disturbed land pending final reclamation, and 13.8 acres of new disturbance planned. The plan involves the stripping of the overburden, the opening of a mining cut, settling ponds, and the use of a portable wash plant. Stream diversions are required on Potosi Creek, Oregon Creek, and Discovery Creek. Reclamation would include removing all equipment, reestablishing the drainage, recontouring the processed material and covering all disturbed areas with the stockpiled overburden. A total of 300,000 cubic yards of material would be moved yearly for a total of 1.5 million cubic yards of material over five years. The operator has committed to reclaiming acreage this year on Discovery Creek while undertaking the new acreage on the Bullion Creek Association.

PURPOSE: The project purpose is to continue production of placer gold from an existing operational mine.

ADDITIONAL INFORMATION: This plan is proposed as a modification to Corps permit POA-1991-492-0. This is State of Alaska APMA #A045696. The previous DA permit has expired and needs to be reauthorized. Existing on site facilities would be utilized for this operation. All previous DA conditions would be carried forward

to the new permit modification. The agent for the applicant is Mr. Laurence Peterson, of Travis Peterson Environmental Consulting Inc., 329 2nd Street Fairbanks, Alaska, by telephone at (907) 455-7225.

WATER QUALITY CERTIFICATION: A permit for the described work will not be issued until a certification or waiver of certification as required under Section 401 of the Clean Water Act (Public Law 95-217), has been received from the Alaska Department of Environmental Conservation.

PUBLIC HEARING: Any person may request, in writing, within the comment period specified in this notice, that a public hearing be held to consider this application. Requests for public hearings shall state, with particularity, reasons for holding a public hearing.

CULTURAL RESOURCES: The latest published version of the Alaska Heritage Resources Survey (AHRS) has been consulted for the presence or absence of historic properties, including those listed in or eligible for inclusion in the National Register of Historic Places. There are no listed or eligible properties in the vicinity of the worksite. Consultation of the AHRS constitutes the extent of cultural resource investigations by the District Engineer at this time, and he is otherwise unaware of the presence of such resources. This application is being coordinated with the State Historic Preservation Office (SHPO). Any comments SHPO may have concerning presently unknown archeological or historic data that may be lost or destroyed by work under the requested permit will be considered in our final assessment of the described work.

ENDANGERED SPECIES: No threatened or endangered species are known to use the project area. Preliminarily, the described activity will not affect threatened or endangered species, or their critical habitat designated as endangered or threatened, under the Endangered Species Act of 1973 (87 Stat. 844). This application is being coordinated with the United States Fish and Wildlife Service and the National Marine Fisheries Service. Any comments they may have concerning endangered or threatened wildlife or plants or their critical habitat will be considered in our final assessment of the described work.

ESSENTIAL FISH HABITAT: The proposed work is being evaluated for possible effects to Essential Fish Habitat (EFH) pursuant to the Magnuson Stevens Fishery Conservation and Management Act of 1996, 16 U.S.C. *et seq* and associated federal regulations found at 50 CFR 600 Subpart K. The Alaska District includes areas of EFH as Fishery Management Plans. We have reviewed the January 20, 1999, North Pacific Fishery Management Council's Environmental Assessment to locate EFH area as identified by the National Marine Fisheries Service.

We have determined that the described activity within the proposed area will not adversely affect EFH, including anadromous fish and federally managed fishery resources.

SPECIAL AREA DESIGNATION: None.

EVALUATION: The decision whether to issue a permit will be based on an evaluation of the probable impacts including cumulative impacts of the proposed activity and its intended use on the public interest. Evaluation of the probable impacts, which the proposed activity may have on the public interest, requires a careful weighing of all those factors, which become relevant in each particular case. The benefits, which reasonably may be expected to accrue from the proposal, must be balanced against its reasonably foreseeable detriments. The decision whether to authorize a proposal, and if so, the conditions under which it will be allowed to

occur, are therefore determined by the outcome of the general balancing process. That decision should reflect the national concern for both protection and utilization of important resources. All factors, which may be relevant to the proposal, must be considered including the cumulative effects thereof. Among those are conservation, economics, aesthetics, general environmental concerns, wetlands, cultural values, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shore erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership, and, in general, the needs and welfare of the people. For activities involving Section 404 discharges, a permit will be denied if the discharge that would be authorized by such permit would not comply with the Environmental Protection Agency's Section 404(b)(1) guidelines. Subject to the preceding sentence and any other applicable guidelines or criteria (see Sections 320.2 and 320.3), a permit will be granted unless the District Engineer determines that it would be contrary to the public interest.

The Corps of Engineers is soliciting comments from the public; Federal, State, and local agencies and officials; Indian Tribes; and other interested parties in order to consider and evaluate the impacts of this proposed activity. Any comments received will be considered by the Corps of Engineers to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments are used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments are used in the preparation of an Environmental Assessment and/or an Environmental Impact Statement pursuant to the National Environmental Policy Act. Comments are also used to determine the need for a public hearing and to determine the overall public interest of the proposed activity.

Comments on the described work, with the reference number, should reach this office no later than the expiration date of this Public Notice to become part of the record and be considered in the decision. Please contact Mr. Victor O. Ross at (907) 753-2716, toll free from within Alaska at (800) 478-2712, or by email at victor.o.ross@poa02.usace.army.mil, if further information is desired concerning this notice.

AUTHORITY: This permit will be issued or denied under the following authorities:

(X) Discharge dredged or fill material into waters of the United States - Section 404 Clean Water Act (33 U.S.C. 1344). Therefore, our public interest review will consider the guidelines set forth under Section 404(b) of the Clean Water Act (40 CFR 230).

A plan and Notice of Application for State Water Quality Certification are attached to this Public Notice.

District Engineer
U.S. Army, Corps of Engineers

Attachments

ATTACHMENT 1

The proposed activity is placer mining located near Ganes Creek in Sections 4, 8, 9, and 10 Township 33 South, Range 38 East, Seward Meridian and Sections 8 and 9, Township 28 South, Range 13 East, Kateel River Meridian (Figure 1). All land being mined and all land immediately adjacent to mining is owned by the state or is patented. Access to the site is by air.

The general mining season schedule will be to open camp on April 15th and work until October 15th. Mining last occurred in this area in 2000. The year 2004 effort will include mining and reclamation. Reclamation will occur during mining and at the end of the season. Equipment to be used includes one CAT 922 loader, one 10x12 pump, two Kantishna type wash plants, one CAT D8 dozer, one BE 37B dragline, one 180-D Northwest dragline, two CAT 245 backhoes, two 6x8 pumps, three CAT D9 dozers, and one 155 Komatsu dozer.

Figure 2 portrays the patented ground and state mining claims controlled by Clark-Wiltz Mining within Township 33 North, Range 38 West, Seward Meridian. Figures 3 and 4 display mined versus reclaimed areas in the vicinity of Potosi and Six Gulch creeks. Figure 5 displays the Bullion Creek Association near the mouth of Ganes Creek. Mining and reclamation for each of the areas to be worked during 2004 are described below by area.

Potosi Creek

Figure 5 displays Potosi Creek. The entire main stem has been mined and reclaimed. Mining occurred on both pups feeding Potosi Creek in 1997 and 1998, which are on ADL 559948 (CW-97) and ADL 559950 (CW-99A). There were 2.8 acres mined in 1997 and 1998 and bonded in 1998, 1999, and 2000. This area may be reclaimed in 2004.

Clark-Wiltz Mining, 1006-04
2004 APMA A045696
Page 2

Six Gulch

Mining during 1996 was limited to a 5 acre area shown in Figure 6. Mining during 1997 was limited to a 100-foot wide by 200-foot long area (0.5 acre). Reclamation of the 1996 and 1997 mining areas occurred in 1998 and 1999 by contouring the tailings to conform to the existing topography and spreading overburden over the tailings to the extent possible. Because of the low price of gold and the high price of fuel, there will be no further mining on Six Gulch in the foreseeable future.

Oregon Creek

Figure 2 portrays the patented ground and state mining claims controlled by Clark-Wiltz Mining along Oregon Creek. The patented ground is along Ganes Creek. The state mining claims upstream on Oregon Creek include 572557 (CW-140), 572556 (CW-139), 559940 (CW-89), 559938 (CW-88), 514488 (Head of Carter, Hardrock 14), and 559939 (CW-88A). Although plans to mine Oregon Creek were first submitted in 1998, no mining has occurred.

Discovery Creek

Figure 2 shows the location of Discovery Creek, crossing No.1 Maki Gulch, No. 2 Maki Gulch, and 572555 (CW-138). Although 5,000 feet of mining was planned, only 2,200 feet were mined in 2000. The actual area of disturbance was approximately 200-foot wide by 2,200-foot long or 10.1 acres with 2.3 acres being on private land and 7.8 acres being on state land. For regulatory purposes, it is assumed the entire area is wetlands. The entire 10.1 acres may be reclaimed in 2004.

Bullion Creek Association

Mining in 2004 will occur on the Bullion Creek Association, part of Mineral Survey No. 2288, as shown in Figure 6. Mining progresses up the valley in a series of cuts that are approximately 100-foot long by 150-foot wide. Approximately 10 feet of overburden is excavated by dozer and stacked by dragline along the right limit. Approximately 3,000 feet of mining will occur in 2004 which

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Clark-Wiltz Mining, 1006-04
2004 APMA A045696
Page 3

represents about 170,000 cubic yards of overburden being stacked in a pile 50-feet wide by 30-feet high. A mobile wash plant is used to sluice 4 feet of pay dirt. The tailings, about 75,000 cubic yards, are used to extend an access road and for building settling/recycle ponds as mining progresses. The actual area of disturbance will be approximately 200-feet wide by 3,000-feet long or 13.8 acres, all of which is on private land. For regulatory purposes, it is assumed the entire area is wetlands.

Figure 6 displays the typical mining sequence moving from north to south along the boundary of the Bullion Creek Association and the Gallagher Association. As noted above, each cut will be approximately 100-feet long by 150-feet wide. The overburden will be placed on the Gallagher Association. The pay gravels for the first cut will be placed to the east of the cut and the cut will become a settling/recycle pond. The tailings will be placed back into the pond on the north side to keep the pond separated from the second cut. Each cut will become a pond as mining progresses up the valley.

Figure 6 displays a series of cuts and ponds along with typical cross sections. This mining method is essentially the same as used on Potosi Creek. Reclamation will occur during mining and at the end of mining with the major portion occurring after mining. The tailings will mainly be used for construction of settling ponds. Any excess tailings will be placed into the ponds. Overburden stacked along the right limit will be pushed back into each cut and the area contoured to match the surrounding area.

Bonding Summary

Bonding for 2000 included 2.8 acres of state land on the pups leading into Potosi Creek and 10.1 acres on Discovery Creek. This amounts to 2.3 acres on patented ground and 10.6 acres on state ground or 12.9 acres for the total 2000 bond. The bond, $12.9 \times \$37.50$ (\$483.75) was paid for one year out of 2000, 2001, 2002, and 2003. New mining proposed for 2004 on the Bullion Creek

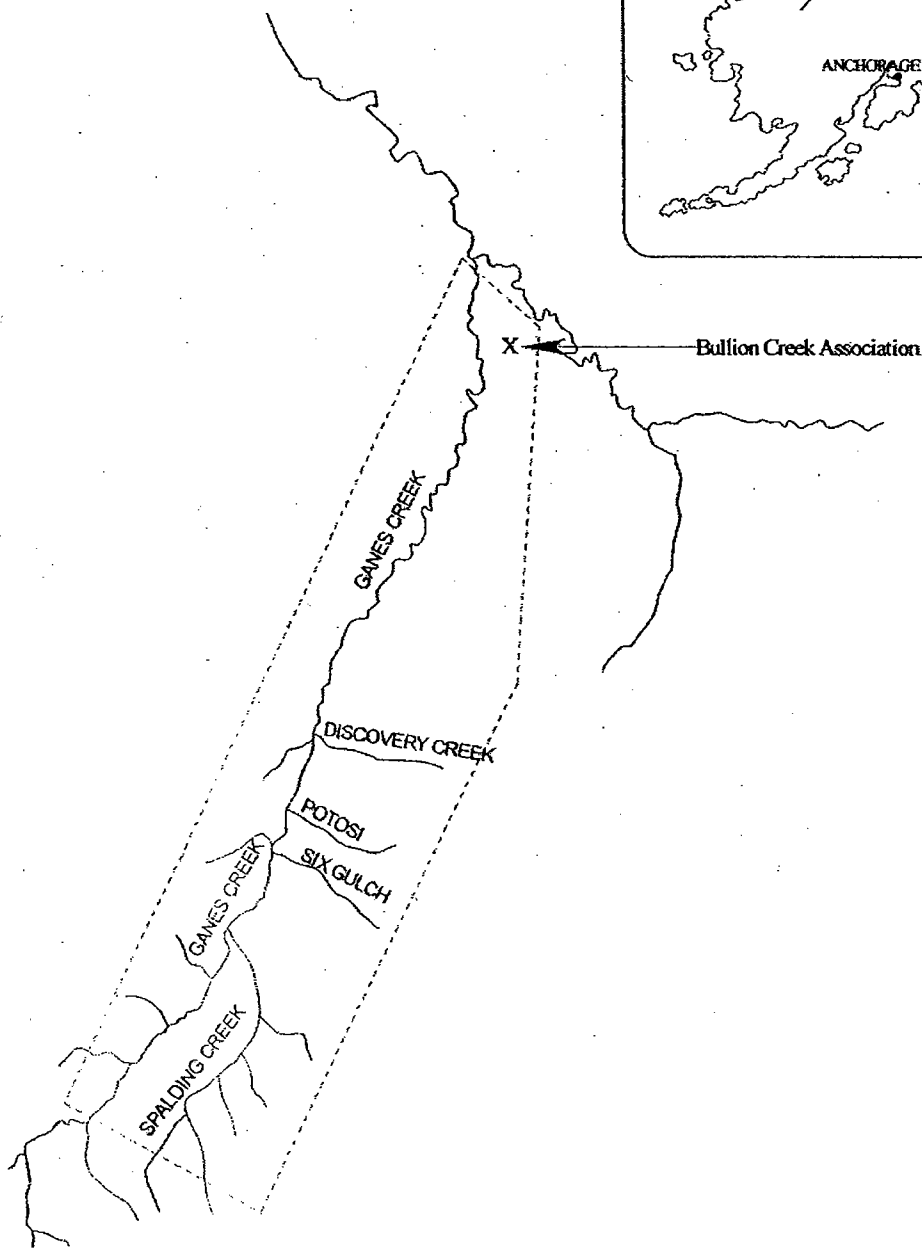
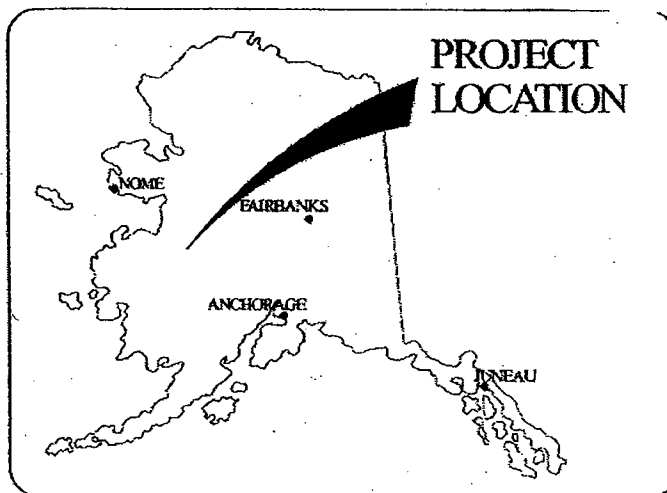
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Clark-Wiltz Mining
Ganes Creek
POA-1991-492-P
Sheet 3 of 10

Clark-Wiltz Mining, 1006-04
 2004 APMA A045696
 Page 4

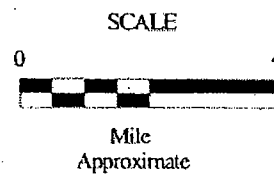
Association will add 13.8 acres of private land to the bond. Consequently, there will be 26.7 acres, described below, bonded in 2004.

	<u>Private Land</u>	<u>State Land</u>	<u>Total</u>
Potosi Creek	---	2.8 acres	2.8 acres
Six Gulch	---	---	---
Oregon Creek	---	---	---
Discovery Creek	2.3 acres	7.8 acres	10.1 acres
2000 Bond	2.3 acres	10.6 acres	12.9 acres
Bullion Creek Association, 2004	13.8 acres	---	---
2004 Bond	16.1 acres	10.6 acres	26.7 acres



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Ganes Creek
POA-1991-492-P
Sheet 5 of 10



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339 2ND STREET
FAIRBANKS, ALASKA 99701

CLARK-WILTZ MINING

FIGURE 1
LOCATION AND VICINITY

PROJECT No: 1006-04

FILE: 1006/04/Figures/Figure 1-Location and Vicinity.SKF

DATE: 01/30/04

SCALE: SHOWN ABOVE

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T34N R38W

T33N R38W

6 SCALE

Mile
Approximate

No. 6-7 Above Discovery Association

No. 7 Above Discovery

No. 2 Below Discovery R.L.

No. 2 Below Discovery

No. 2 Below Discovery L.L.

32

No. 1 Below Discovery

No. 1 Below Discovery L.L.

No. 2 Maki Gulch

No. 1 Maki Gulch

Discovery

572557

572556

572555

55

559940

559938

CW-90

CW-89

CW-88

No. 1 Above Discovery

Yeager Bench

Gulch Fraction

No. 2 Above Discovery

Minnie Bench R.L.

No. 3 Above Discovery

Airstrip

Camp

Mier-Bench R.L.

No. 1 Potosi

No. 4 Above Discovery

Fraction Adjoining No. 1 Potosi

No. 2 Potosi on Potosi Gulch

No. 5 Above Discovery

No. 5 Above Discovery Fraction

No. 6 Above Discovery

Beauneister Bench R.L.

No. 6 Above Discovery Fraction

Minnesota Bench R.L.

7

8

CW-84A

CW-84

CW-810

CW-81B

CW-79A

CW-80

CW-82

514482

CW-79

CW-80

CW-81

CW-31

CW-30

CW-78

CW-77

CW-76

CW-75

CW-27

CW-28

CW-29

CW-65

CW-66

CW-67

CW-68

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Clark-Wiltz Mining

Ganes Creek

POA-1991-492-P

Sheet 6 of 10

FIGURE 2
(G AREA)

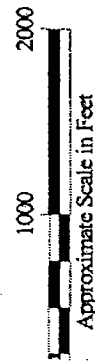
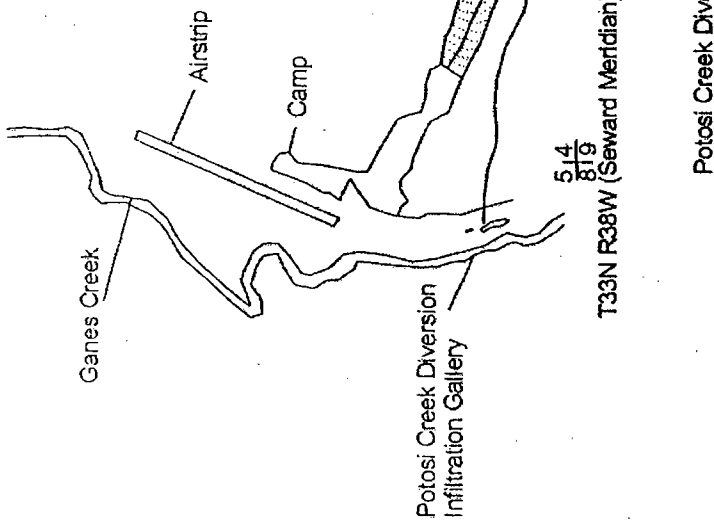
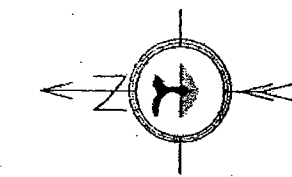
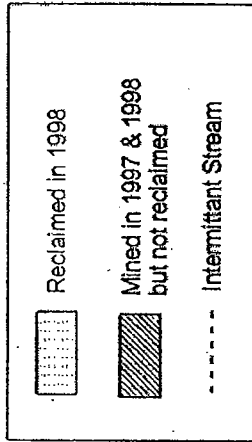
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PROJECT No: 1006-04

FILE: 1006/04/Figures/Figure 2 - Mining Area.SKF

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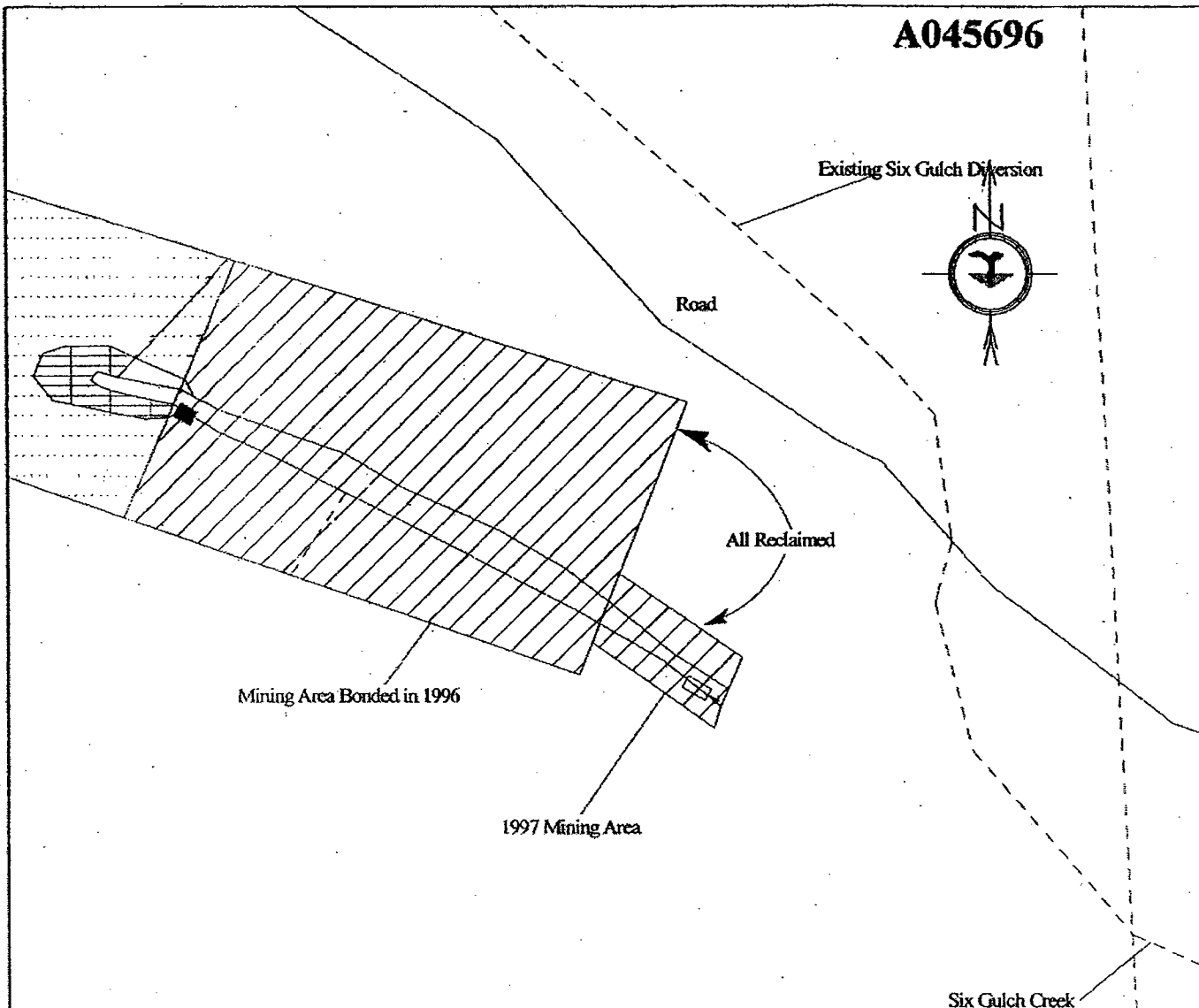
Clark-Wiltz Mining
Ganes Creek
POA-1991-492-P
Sheet 7 of 10

A045696

TRAVIS/PETERSON ENVIRONMENTAL CONSULTING, INC. 329 2ND STREET FAIRBANKS, ALASKA 99701	CLARK-WILTZ MINING	POTOSI CREEK FIGURE 3
PROJECT No: 1006-04	FILE: 1006/04/Figures/Figure 3 - Potosi Creek SKF	DATE: 07/03/04
		SCALE: As Shown

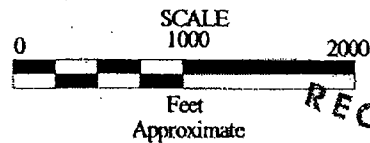
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LEGEND

	Sluice
	Pump
	Recycle Pond
	Tailings
	Overburden



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Ganes Creek
POA-1991-492-P
Sheet 8 of 10

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Mr. Doug Clark

SIX GULCH SITE
FIGURE 4

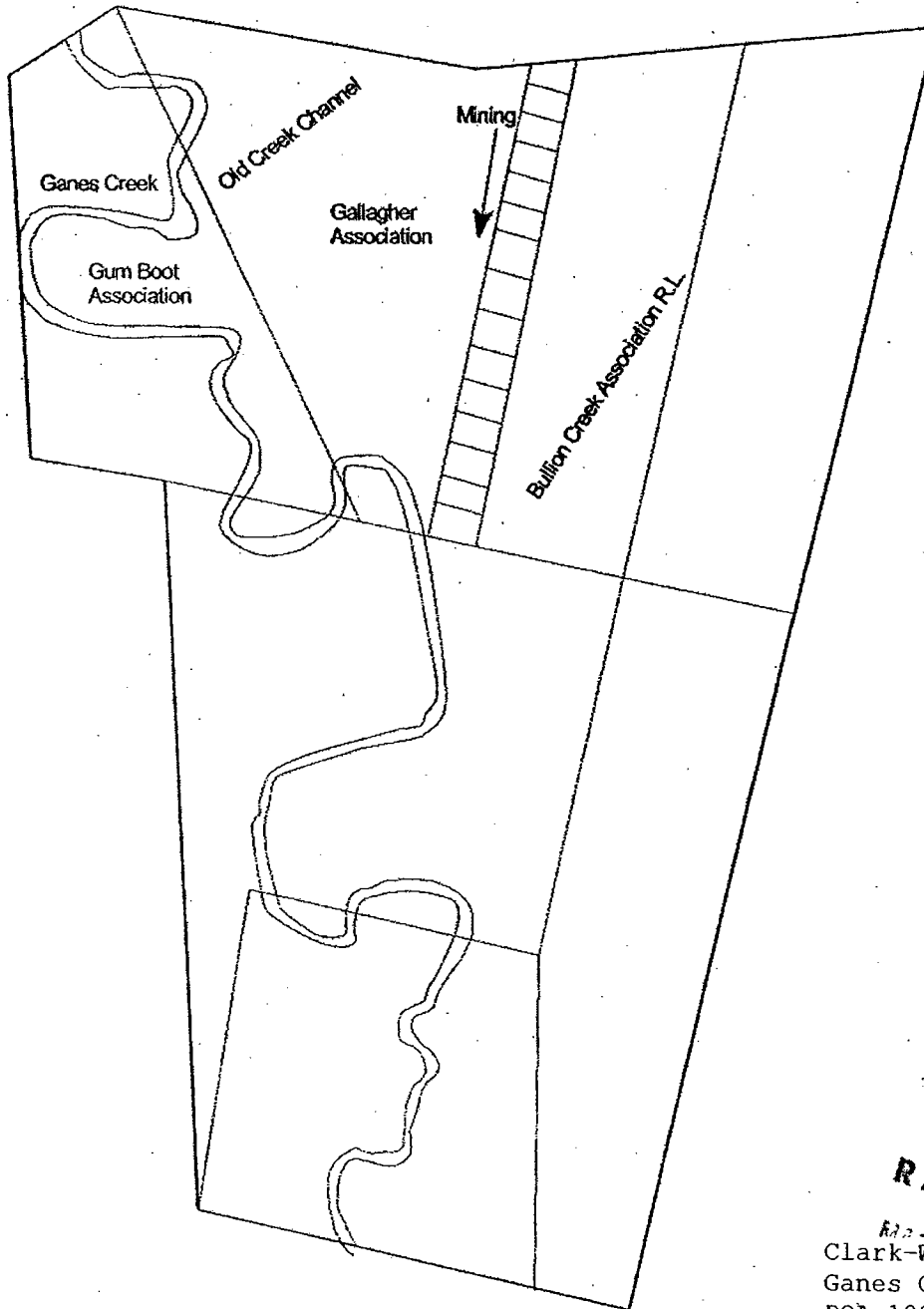
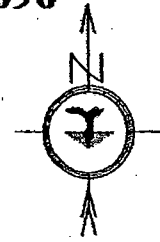
PROJECT No: 1006-04

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Mineral Survey No. 2288

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Ganes Creek
POA-1991-492-P
Sheet 9 of 10

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CLARK-WILTZ MINING

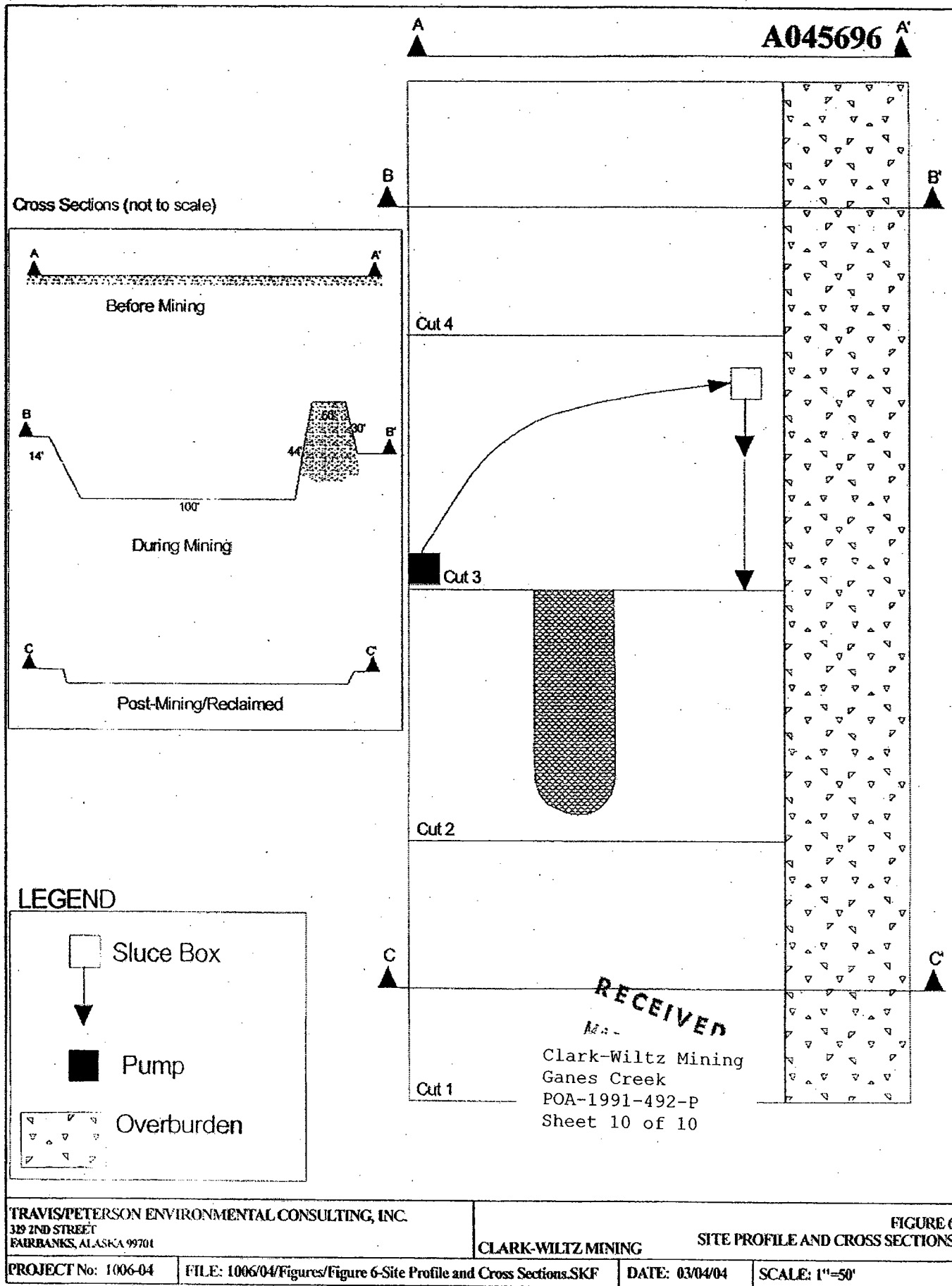
FIGURE 5
BULLION CREEK

PROJECT No: 1006-04

FILE: 1006/04/Figures/Figure 5-Bullion Creek.SKF

DATE: 03/04/04

SCALE: None



STATE OF ALASKA

OFFICE OF THE GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION

DIVISION OF WATER

401 Certification Program

Non-Point Source Water Pollution Control Program

NOTICE OF APPLICATION FOR STATE WATER QUALITY CERTIFICATION

Any applicant for a federal license or permit to conduct an activity that might result in a discharge into navigable waters, in accordance with Section 401 of the Clean Water Act of 1977 (PL95-217), also must apply for and obtain certification from the Alaska Department of Environmental Conservation that the discharge will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. By agreement between the U.S. Army Corps of Engineers and the Department of Environmental Conservation, application for a Department of the Army permit to discharge dredged or fill material into navigable waters under Section 404 of the Clean Water Act also may serve as application for State Water Quality Certification.

Notice is hereby given that the application for a Department of the Army Permit described in the Corps of Engineers' Public Notice No. POA-1991-492-P, Ganes Creek, serves as application for State Water Quality Certification from the Department of Environmental Conservation.

After reviewing the application, the Department may certify that there is reasonable assurance that the activity, and any discharge that might result, will comply with the Clean Water Act, the Alaska Water Quality Standards, and other applicable State laws. The Department also may deny or waive certification.

Any person desiring to comment on the project with respect to Water Quality Certification may submit written comments within 30 days of the date of the Corps of Engineer's Public Notice to:

Department of Environmental Conservation
WQM/401 Certification
555 Cordova Street
Anchorage, Alaska 99501-2617
Telephone: (907) 269-7564
FAX: (907) 269-7508